

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF CONSERVATION AND COASTAL LANDS
Honolulu, Hawaii**

January 13, 2011

**Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii**

REGARDING: Time Extension Request for Conservation District Use Permit (CDUP) HA-3247 for the Replacement of Pi'ihonua Reservoir No. 2 and Associated Improvements

APPLICANT: County of Hawaii
Department of Water Supply

LANDOWNER: State of Hawaii

LOCATION: Pi'ihonua, South Hilo, Island of Hawaii

TMKs: (3) 2-3-030:005

AREA OF PARCEL 6.405 acres

USE: 6.405 acres

SUBZONE: General

BACKGROUND:

On January 27, 2006, the Board of Land and Natural Resources approved CDUP HA-3247 for the replacement of the Pi'ihonua Reservoir and associated improvements subject to 17 terms and conditions. Condition 5 provided that any work or construction to be done on the land shall be initiated within one year of the approval of such use, in accordance with construction plans that have been signed by the Chairperson, and, unless otherwise authorized, shall be completed within three (3) years of the approval (**Exhibit 1**).

On May 2, 2008, the Department approved a request for a first time extension on the construction completion deadline to January 27, 2011.

TIME EXTENSION REQUEST:

On December 15, 2010, the Office of Conservation and Coastal Lands (OCCL) was in receipt of a correspondence from the County of Hawaii Department of Water Supply requesting a two-year extension to complete the project. According to the

correspondence, the water tank is near completion and 90% of the underground waterlines have been installed. Booster pumps, the electrical system, monitoring devices needs to be completed and the former facility needs to be demolished. (**Exhibit 2**).

AUTHORITY FOR GRANTING TIME EXTENSIONS:

The authority for the granting of time extensions is provided in Section 13-5-43, Hawaii Administrative Rules (HAR), which allows for permittees to request time extensions for the purpose of extending the period of time to comply with the conditions of a permit.

Additionally, §13-5-43, HAR, states that: "All time extensions shall be submitted to the department thirty days before the expiration deadline. If a request is received less than thirty days before the due date the request for time extension shall be forwarded to the Board for review."

Further, Section 13-5-43, HAR provides that time extensions may be granted by the Board upon the second or subsequent request for a time extension, based on supportive documentation from the applicant.

BASIS FOR TIME EXTENSIONS:

A time extension may be sought when a Permittee is unable to initiate or complete a project within the stipulated time frame. The Board grants time extensions when a Permittee demonstrates some sort of hardship or delay in initiating work on a particular project. Moreover, the Permittee should be able to demonstrate that the hardship or delay has not been self-imposed and that some good faith effort has been made to undertake the project.

DISCUSSION:

In the present case, none of these factors suggest any reason to deny the requested time extension. The Permittee has submitted all the required documents to obtain permits and approvals, has initiated the project construction and is near completion.

Staff, therefore, has the following:

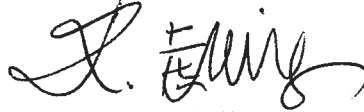
RECOMMENDATION:

That the Board of Land and Natural Resources **APPROVE** an extension to CDUP HA-3247 to January 27, 2013 to complete the construction of the replacement of the Pi'ihonua Reservoir and associated improvements, subject to the following conditions:

1. That condition 5 of CDUP HA-3247 is amended to provide that the Permittee has until January 27, 2013 to complete construction of the replacement of the Pi'ihonua Reservoir and associated improvements; and

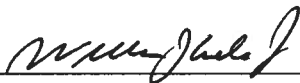
2. That all other conditions imposed by the Board under CDUP HA-3247, as amended, shall remain in effect.

Respectfully submitted,



K. Tiger Mills, Staff Planner
Office of Conservation and Coastal Lands

Approved for submittal:



WILLIAM J. AILA, Jr., Interim Chairperson
Board of Land and Natural Resources

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF CONSERVATION AND COASTAL LANDS
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

PETER T. YOUNG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
DEPUTY DIRECTOR - LAND

DEAN NAKANO
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIKOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

REF:OCCL:TM

CDUP: HA-3247

Ron Terry
Geometrician Associates
HC 2 Box 9575
Kea'au, Hawaii 96749

JAN 27 2006

Dear Mr. Terry:

SUBJECT: Conservation District Use Permit (CDUP) HA-3247 for the Pi'ihonua Reservoir and Associated Improvements Located on Waianuenue Avenue, Pi'ihonua, South Hilo, Island of Hawaii, TMK: (3) 2-3-030:005

This is to inform you that on January 27, 2006, the Board of Land and Natural Resources approved your client's Conservation District Use Application for the replacement of the Pi'ihonua Reservoir # 2 and associated improvements including landscaping, removal of the old reservoir, construction of the new reservoir, appurtenant structures, and access located at Pi'ihonua, South Hilo, island of Hawaii, TMK: (3) 2-3-030:005 subject to the following conditions:

1. The applicant shall comply with all applicable statutes, ordinances, rules, regulations, and conditions of the Federal, State, and County governments, and applicable parts of the Hawaii Administrative Rules, Chapter 13-5;
2. The applicant, its successors and assigns, shall indemnify and hold the State of Hawaii harmless from and against any loss, liability, claim or demand for property damage, personal injury or death arising out of any act or omission of the applicant, its successors, assigns, officers, employees, contractors and agents under this permit or relating to or connected with the granting of this permit;
3. The applicant shall comply with all applicable Department of Health administrative rules. Particular attention should be paid to Hawaii Administrative Rules (HAR) Section 11-60.1-33, "Fugitive Dust" and to Chapter 11-46, "Community Noise Control" if applicable;
4. Before proceeding with any work authorized by the Board, the applicant shall submit four (4) copies of the construction and grading plans and specifications to the Chairperson or his authorized representative for approval for consistency with the conditions of the permit and the declarations set forth in the permit application. Three (3) of the copies will be returned to the applicant. Plan approval by the Chairperson does not constitute approval required from other agencies;

EXHIBIT I

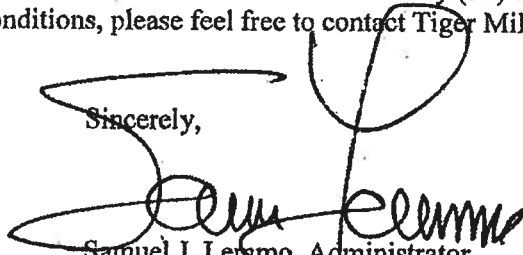
5. Any work done or construction to be done on the land shall be initiated within one year of the approval of such use, in accordance with construction plans that have been signed by the Chairperson, and, unless otherwise authorized, shall be completed within three (3) years of the approval. The applicant shall notify the Department in writing when construction activity is initiated and when it is completed;
6. All representations relative to mitigation set forth in the accepted environmental assessment or impact statement for the proposed use are incorporated as conditions of the permit;
7. No grubbing or clearing of the site shall take place between the first day of March through the last day of August;
8. The applicant understands and agrees that this permit does not convey any vested rights or exclusive privilege;
9. In issuing this permit, the Department and Board have relied on the information and data that the applicant has provided in connection with this permit application. If, subsequent to the issuance of this permit, such information and data prove to be false, incomplete or inaccurate, this permit may be modified, suspended or revoked, in whole or in part, and/or the Department may, in addition, institute appropriate legal proceedings;
10. When provided or required, potable water supply and sanitation facilities shall have the approval of the department of health and the county department of water supply;
11. Where any interference, nuisance, or harm may be caused, or hazard established by the use, the applicant shall be required to take the measures to minimize or eliminate the interference, nuisance, harm, or hazard;
12. Cleared areas shall be revegetated within thirty (30) days unless otherwise provided for in a plan on file with and approved with the department;
13. During construction, appropriate mitigation measures shall be implemented to minimize impacts to off site roadways, utilities, and public facilities;
14. Should historic remains such as artifacts, burials or concentration of charcoal be encountered during construction activities, work shall cease immediately in the vicinity of the find, and the find shall be protected from further damage. The contractor shall immediately contact HPD (692-8015), which will assess the significance of the find and recommend an appropriate mitigation measure, if necessary;
15. As asbestos-containing material and lead-containing paint are present, project demolition and disposal must compliance with the Federal Environmental Protection Agency and the State Department of Health;
16. Other terms and conditions as may be prescribed by the Chairperson; and
17. Failure to comply with any of these conditions shall render this Conservation District Use Permit null and void.

Ron Terry
Geometrician Associates

CDUP: HA-3247

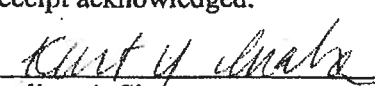
Please acknowledge receipt of this approval, with the above noted conditions, in the space provided below. Please sign two copies. Retain one and return the other within thirty (30) days. Should you have any questions on any of these conditions, please feel free to contact Tiger Mills at (808) 587-0382.

Sincerely,



Samuel J. Lemmo, Administrator
Office of Conservation and Coastal Lands

Receipt acknowledged:


Applicant's Signature

Date 4/29/08

c: Chairperson
HDLO
County of Hawaii, Department of Planning



11A-11-5

DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII

345 KEKŪANAŌ'A STREET, SUITE 20 • HILO, HAWAII 96720

TELEPHONE (808) 961-8050 • FAX (808) 961-8657

December 14, 2010

Mr. Samuel J. Lemmo, Administrator
State of Hawai'i
Department of Land Conservation and Natural Resources
Office of Conservation and Coastal Lands
P.O. Box 621
Honolulu, HI 96809

RECEIVED
DEPARTMENT OF LAND &
NATURAL RESOURCES
STATE OF HAWAII
2010 DEC 15 A 8:23

**DEPARTMENT OF WATER SUPPLY JOB NO. 2002-802
PI'IHONUA RESERVOIR NO. 2 REPLACEMENT
SOUTH HILO, HAWAII
TAX MAP KEY 2-3-030:005**


REF: CONSERVATION DISTRICT USE PERMIT (CDUP) HA-3247

We believe that the construction for the subject project will not be completed by the January 27, 2011. Since the issuance of the first time extension, the Department of Water Supply has started construction on September 5, 2009 and has substantially completed the construction of the water tank and installed 90% on the underground waterlines. There are a number of items yet to be completed to make the facility operational, which include the inlet controls, booster pumps, and all of the electrical systems and monitoring devices. After that, the existing facility will have to be demolished.

As such, we respectfully request an extension to the CDUP. Although a major portion of the project has been completed, a lot of the time consuming work is remaining. The requested extension would be for two (2) years. We believe this two year extension would be ample time to complete the construction, and demolish the existing facilities.

Should you have any questions, please contact Mr. Gerald Yorita of our Engineering Division at 961-8070, extension 248.

Sincerely yours,


Milton D. Pavao, P.E.
Manager-Chief Engineer

GY:dfg

EXHIBIT 2